



## Executive Summary

### Management Team:

N.N. (Bill) Luxon, Co-founder and CEO –Inventor of numerous advanced technology devices awarded five U.S. patents, including a graphic animation system he licensed to 70 network television stations, which earned a National Association of Educational Broadcasters Award for Animation. Luxon has taken two companies public and sold a third to a publicly held corporation.

Greg Johnson, Co-founder and Chief Technology Officer – He has specialized in inventing and manufacturing new antenna designs for the U.S. Army, Navy and Air Force, and for companies including Lockheed-Martin, Loral, McDonnell Douglas, Boeing, TRW, Toyota, and others. Johnson has earned 14 U.S. patents and has numerous U.S. and foreign patents pending. He has a BSEE degree from San Jose State University and a MSEE degree from Stanford University.

Jerry C. Gatch, CFO – Mr. Gatch has 12 years of international experience including partner in charge of consulting for KPMG Peat Marwick in Micronesia, and project manager for Coopers & Lybrand Consulting in Pakistan, and has served as an independent consultant in Micronesia for Hyatt International, Ernst & Young, the U.S. Navy, and others. He has extensive experience in complex financial modeling – budgets, and project management, and with all levels of elected and regulatory officials. He earned a BS in accounting at the University of Nevada Las Vegas, and is a CPA in Texas and Guam.

DAMAX International has developed a breakthrough proprietary cellular antenna technology that redirects nearly 100% of cellphone handset signal strength normally absorbed in the head, away from the head. Tests by major carriers have shown that the technology reduces dropped calls; produces better call quality, and more than doubles the range of the phones.

The antennas will be installed inside decorative cellphone accessory back plates that fit some of the newest and most popular handsets sold worldwide. The antennas also will make the handsets noise-free for more than 14 million people in the U.S. and EU who wear hearing aids because they direct the handset radiation (which produces the noise) away from the head.

**Market Size:** 134 million wireless subscribers in the U.S., 185 million in China, and more than 1 billion worldwide represent potential purchasers of the technology. Fewer dropped calls, more talk-time, and noise-free handset operation also attracts U.S. carriers because it offers an opportunity to lower subscriber turnover, and opens a new market to 7 million hearing aid wearers who cannot now use their phones.

**Marketing and Sales:** DAMAX will focus its efforts initially in the U. S. on: 1) 134 million wireless subscribers who want better signal range, call quality and handset performance; and 2) 14 million people who wear hearing aids in the U.S. and EU. Carriers that wish to gain subscribers from hearing aid users (who are unable to use their digital phones) will be encouraged to keep DAMAX modified handsets in stock at every location where they activate phones so that people can test them to see if they perform noise-free with their aids, and thus are able to access and use the carrier's service.

**Performance Verified:** Tests by an independent FCC certified laboratory show DAMAX antennas reduce cellphone radiation up to 95% below the Specific Absorption Rate (SAR) maximum of 1.6 watts per kilogram permitted by the FCC in 1 gram of tissue (see % reductions in blue in chart below).

	SAR (1g.)*		SAR (10g.)*	
	Tilt	Cheek	Tilt	Cheek
DAMAX PCS Ant. On Kyocera 2255 (1880 MHz)	0.25 (84.4%)	0.23 (85.6%)	0.14 (91.3%)	0.14 (91.3%)
DAMAX Dual-Band Ant. On Nokia 5165 (1880 MHz)	0.09 (94.4%)	0.12 (92.5%)	0.07 (95.6%)	0.07 (95.6%)
(835 MHz)	0.12 (92.5%)	0.18 (88.8%)	0.07 (95.6%)	0.13 (91.9%)

Independent tests by Starkey Laboratories, one of the largest hearing aid manufacturers in the world, also show DAMAX antennas reduce the sound pressure level (SPL) of digital handsets from more than 80 dB to 45 dB or below, allowing phones in which they're installed to operate virtually noise-free for people who wear hearing aids (see chart on the following page).

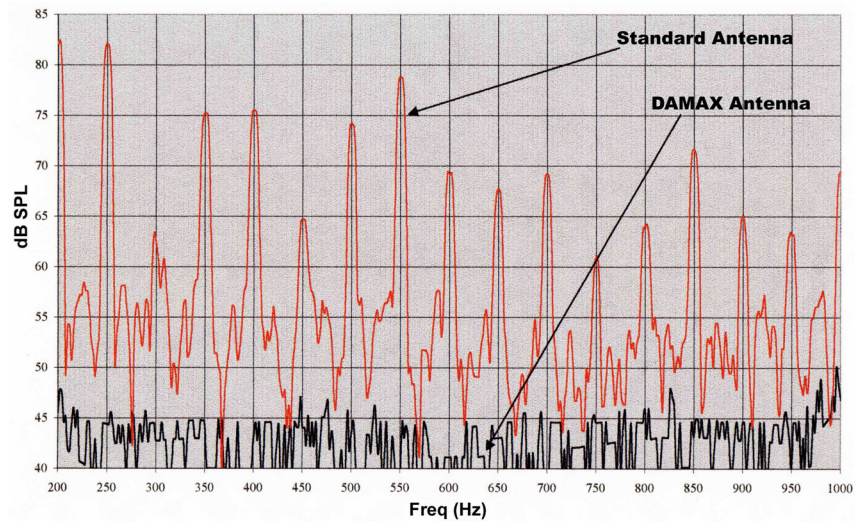
**Proprietary Technology:** A comprehensive patent has been filed about which the company's patent counsel Fulbright & Jaworski have written: "We believe that DAMAX digital handset technology is an advancement in the wireless arts, and that patent claims will be granted by the U.S. Patent and Trademark Office." The company will also file for protection of its technology in key foreign jurisdictions.

**Organization:** DAMAX will organize its efforts into two operating groups: a Professional Products Division to serve the requirements of hearing and healthcare professionals; and a Consumer Products Division designed to meet the requirements of mass market channels such as carriers, Radio Shack, Sears, Good Guys, Circuit City, Best Buy WalMart, and through distributors such as Wireless Dimensions.

**Strategic Partners:** DAMAX has established strategic partner relationships with companies that manufacture millions of cellphone parts for such wireless industry leaders as Kyocera, Motorola, and Nokia, and mass merchandising experts with years of experience in the retail industry leading merchandising, marketing and product development teams across a broad range of product categories and retail formats, including consumer electronics, computers, and cellular accessories.

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**Aftermarket and IP License Solutions:** DAMAX antennas will be manufactured for popular new phones that feature replaceable front and back plates fashion designed for their respective target markets. DAMAX antennas will be sold through carrier stores where phones are activated, and cellphone accessory retailers such as Wireless Dimensions, with kiosks in more than 160 malls nationwide. DAMAX will also license its technology to manufacturers for their current or next generation phones.

DAMAX will focus its market development efforts on three basic initiatives:

1. Credibility – establish indisputable credibility for the company and its products by obtaining endorsements from recognized authorities such as the Good Housekeeping Institute, which awards the Good Housekeeping Seal of Approval.
2. Distribution Channels – establish sufficiently broad distribution channels to generate substantial sales quickly and dominate the market decisively.
3. Channel Support – aggressively promote the benefits to its primary market segments across the U.S. at every level in support of its distribution channel partners.

**Distribution:** DAMAX will establish multiple distribution channels that provide time-to-market, reach and back-end service capabilities that will enable DAMAX to dominate without building its own extensive infrastructure.

- Mass-market distributors such as Wireless Dimensions that can handle fulfillment and returns.
- Carriers such as Sprint, Cingular, Verizon and others.
- QVC/QVC.com or Home Shopping Network/HSN.com.
- DAMAX's own e-commerce website.

**Time to Market:** DAMAX has developed and tested its product, and received purchase orders for 35,000 units in October 2002 from the largest cellphone-only accessory retailer in the U.S. with kiosks in more than 160 malls nationwide. DAMAX first product launch is scheduled for February 2003.